

# DRAFT

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## Minutes

### **Rail Advisory Board Meeting Science Museum of Virginia 2500 W. Broad St. Richmond, VA**

**January 12, 2006**

#### **Members present:**

Richard L. Beadles  
Sharon Bulova  
Dwight L. Farmer  
Honorable Jack Quinn  
Hunter R. Watson.

David A. Brown II  
Trenton Crewe  
Wiley F. Mitchell, Jr.  
Peter J. Shudtz

The meeting was called to order at 12:15 p.m. by Sharon Bulova, chair.

#### **Adoption of Meeting Agenda**

A motion to accept the agenda of the January 12, 2006 meeting was made by Wiley Mitchell, seconded by Peter Shudtz and was unanimously approved by the Rail Advisory Board members.

#### **Adoption of Minutes**

A motion to accept the minutes of the November 30, 2005 meeting was made by Jack Quinn, seconded by Hunter Watson and was unanimously approved by the RAB members.

#### **RAB Member Disclosure**

Ms. Bulova indicated that unless otherwise indicated, disclosure would be required. The current disclosure forms were discussed.

All members' present provided the required information. Mr. Mitchell indicated that he is retired from NS, has more than \$10,000 in common stock, and that he and his partners provide legal services to NS and other Class I railroads. Trenton Crewe indicated that he had no conflicts. Mr. Shudtz said that he is a CSX employee and receives more than \$10,000 in compensation. Ms. Bulova indicated that she has no conflict as a VRE – OPS Board member because she

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receives no compensation or salary; Mr. Watson indicated that he had no conflicts. Dick Beadles said that he is a CSX retiree that receives more than \$10,000 in retirement payments and stock interest. Mr. Quinn indicated that he is the President of a Public Relations firm. David Brown said that he is a NS employee and receives more than \$10,000 in compensation. Dwight Farmer said that he has no conflict.

## **Public Comments:**

No one signed up to make comments to the RAB.

## **Presentation: Status Update on Governor's Budget**

Barbara Reese provided an overview of the Governor's budget. She discussed various aspects of the budget including Debt Service. After the presentation there was a brief Q&A of Ms. Reese by the members of the RAB.

## **Presentation: Revenue Projections**

Steve Pittard, CFO of DRPT updated the Board members on the current revenue projections for the Rail Enhancement Fund. Since July 2005, \$12,452,437 has been collected leading to a revision of the Fund estimate for the first year to \$21,400,000 from \$23,200,000. This shortfall should be balanced in the 2006 – 2007 year leading to a surplus in July 2007 of \$3,372,280.

Mr. Pittard also provided an overview of other critical issues at DRPT including the agency budget and Dulles Corridor Metrorail Project.

There followed a brief discussion about the Budget process in general. Mr. Quinn wanted to know if and when Governor Warner's proposed budget would be approved. In response, Mr. Mitchell gave an overview of the process and how the budget becomes law.

Karen Rae followed up with information on bills of interest to rail providers under consideration in the General Assembly. Ms. Bulova and Mr. Mitchell wanted to know if DRPT could provide a list of bills to the Board with a summary and the agency position. Ralph Davis, Deputy Secretary of Transportation indicated that the Governor's office determines the position of Virginia on any given bill that involves transportation. While there may be differences in opinion on certain bills, the Director must run that through the Secretary's office before any official opinion is released. He went on to remind the members of their roles in the capacity of an advisory board to the Executive Branch through the Commonwealth Transportation Board.

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At this point, Ms. Bulova stressed the importance of funneling information and requests through her for forwarding to DRPT and the Governor's office, to ensure consistency of message to the Governor.

Mr. Beadles led into a discussion about clarifying the role of Board members in public advocacy. This included reviewing members' interests and group affiliations. Chairman Bulova requested that members give each other a 'heads up' if they are advocating for something that has anything to do with the RAB, and for the member to make it clear who they are advocating for.

Ms. Bulova adjusted the agenda and moved the Amtrak and Rail Map discussion due to time constraints.

## **Presentation: Amtrak Update**

Mitch Warren, Senior Director, Government Affairs - Amtrak provided an update on the company. Mr. Warren said that it has been the best year for the company in recent years' record. Amtrak ridership was at a record 25.4M; cost cutting efforts have contributed to the improvements even though this meant also eliminating jobs (from 25,000 employees to 19,200). Mr. Warren indicated that capital planning is difficult because the President's budget is not due to be released until February in addition to year-end funding concerns. He emphasized that the credibility of the company has been restored due to cost cutting measures that bring financial concerns in line. He explained that the reason the Acela Express trains were being taken out of service was due to the need to replace faulty equipment and that the trains could be out of service until sometime in July to ensure the safety of the passengers and employees of Amtrak. Mr. Warren briefly discussed David Gunn and indicated that as most knew he had been replaced by David Hughes as acting President. However he stressed that Mr. Gunn had left Amtrak in a better place than when he arrived in 2002. Mr. Warren ended his presentation by indicating that the new leadership is looking to continue to increase efficiency, provide better service, reduce food and beverage costs, and address labor concerns as a way to deal with cutting operating costs. Mr. Warren will continue to supply the Board with reports and data on system ridership, on-time performance, capacity and reliability.

Mr. Beadles wanted to know of legislation in other states to help with funding Amtrak. Mr. Warren indicated that some states add significant funding on their own. He went on to say that States for Passenger Rail and other advocacy groups are also of great support. Mr. Beadles wanted to know what Virginia's position on Amtrak was and if there was a need to address the official position of the state. Mr. Warren indicated that he and others within in Amtrak have worked with Virginia on various issues and initiatives. Karen Rae added that Virginia has

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also worked with our Congressional Delegation on concerns for Amtrak. Mr. Quinn encouraged Amtrak to keep in touch with the Rail Advisory Board.

## **Rail Map Discussion**

The Director opened the discussion with the basic information on the possible types of maps available and provided the Board with some samples. Ms. Rae indicated that the map could provide simple track/main line information or extremely detailed information depending on the needs of the Board. Discussions started about the possible inclusion of secondary lines, the appropriate use of color coding, back up maps for each corridor/region and possible station identification. Mr. Mitchell indicated that he would like to see main lines and branching information. Ms. Bulova inquired about a GIS concept. Mr. Brown indicated that he would like to ensure there is information provided by corridor.

Mr. Beadles suggested that one on one time be made available with DRPT staff to ensure that all of the Boards' questions/concerns be addressed. It was suggested that the Board consider using a VDOT cartographer for map improvements.

## **Conflict of Interest Issues**

Chairman Bulova indicated that she had a brief discussion with Governor Warner about the concerns of the Board on this topic. However, at the time of the meeting the Governor had not been able to get back to her. Senate Bill 198 has been introduced that specifically addresses that the members of Rail Advisory Board are not subject to particular provisions. Mr. Mitchell indicated that he requested that the bill be introduced to help eliminate concerns for the Board as they go about the Commonwealth's business. Mr. Watson indicated that we need the input of the railroads to support the bill.

## **Presentation: Other Rail Funds**

Kevin Page provided an overview of the Rail Preservation Program and Rail Industrial Access. Mr. Page explained how the funds are utilized in addition to the application and qualification process. He reviewed how these funds are different than the funds made available through the REF and that the majority of the funds are used to help the Shortlines, which in most cases would not be eligible for the REF. After the presentation there was a brief Q&A.

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## **Communication About the Rail Enhancement Fund**

Discussions began as to the most efficient way to communicate information about the REF. Director Rae and Jennifer Pickett presented a one-pager to tie in all of the important information that could be used in discussion on the accomplishments of the REF and the process. Mr. Quinn suggested that several of the Board members form a sub-committee to provide feedback to staff. Mr. Brown and Mr. Quinn will put together suggestions, circulate to the other members of the Board and staff before the March meeting.

## **Strategic Approach for Seeking REF Applications/Measurement/Evaluation**

A brief discussion ensued on how to best address the next round of applications. Ms. Bulova indicated that she would like to wind up someday receiving applications “on improvements or choke points or addressing public benefit needs,” and move to identify needs for annual proposals. Identify the things that we would like to see happen, put the list out and see what type of a response we get.

Mr. Mitchell asked if we could use “accomplishments” and if there was a statutory obligation that must be addressed. Mr. Mitchell went on to say that the Board may want to initiate passenger proposals. Mr. Beadles indicated that the Board must learn from the past and move forward. He also said that the Board needs to address questions and have discussion with the staff so that the Board can decide what to do. Mr. Beadles said that he felt like the Board was on the right track but wanted to elevate to a slightly higher level to include public perception. He also requested that the Board consider a strategy session

## **Possible Agenda Items**

Ms. Bulova said she would like to look at the rail plan. Mr. Mitchell indicated that rail policy follows a plan. Mr. Crewe wanted to know what other states are doing in this area. There was discussion on specific policy recommendations from the Board. One question of interest to the Board was “what does it take for a state to own passenger rail service?” It was suggested that a representative from North Carolina be invited when this discussion takes place.

The meeting was adjourned at 3:01pm.